

5/053/052

FELLER HOLDING CORPORATION

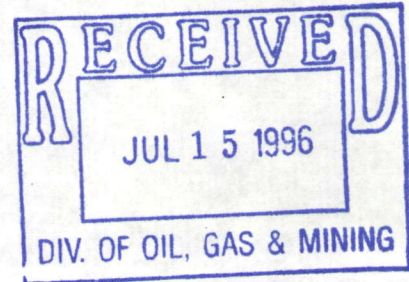
1203 West Sunset Boulevard

St. George, Utah 84770

RECEIVED JUL 10 1996

July 9, 1996

Mr. Larry Gore
U. S. Bureau of Land Management
Dixie Resource Area
345 East Riverside Drive
ST. George, Utah 84770



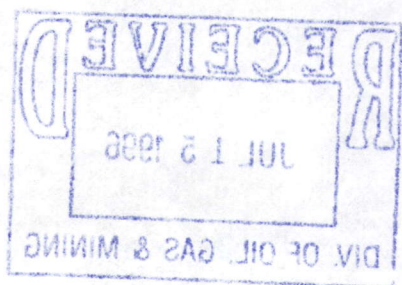
Subject: APPLICATION FOR MINERAL MATERIAL SALES
-Pursuant to CFR Title 43 Part 3610,
MINERAL MATERIAL SALES.

Dear Mr. Gore:

This letter is to request a Mineral Material Sale of sandstone and quartzite from a deposit on lands controlled by the Bureau of Land Management. Feller Holding would like to obtain a sale in the amount of 30,000 ton of landscape rock and 75,000 cubic yards of gravel to be crushed from some of the sandstone and quartzite material to be found in the proposed mineral lease area.

The area where material desired is located is in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and a small parcel in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, T. 42 S., R. 18 W., SLB&M. Planned mining operations and reclamation is outlined in the following paragraphs.

1. The owner of the Mineral Sale is FELLER HOLDING CORPORATION, whose address is 1203 West Sunset Boulevard, St. George, UT 84770.



The operator of the property is FELLER STONE INC., whose address is 1203 West Sunset Blvd. St. George, Utah 84770.

2. The sale of mineral material will be from portions of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 34, T. 42 S., R. 18 W., SLB&M.
3. Mining activity will be conducted along the outcrop of sandstone and quartzite deposits exposed in the eroded sides of the canyon. The outcrops extends into the upper end of the semi box canyon in the subject proposed lease area. Material will be drilled and blasted from the outcropping beds. Material will be crushed and sized for the desired gravel sizes. Oversized rocks and some surface boulders will be recovered for landscape rocks.

In the proposed operation it is anticipated that an economic amount of gravel to be crushed to justify the move-in and move-out cost is 75,000 cubic yards.

Crushed gravel will be stored on site, as will the separate piles of landscape rocks, until shipments are required.

As there is a large faces of sandstone and quartzite, it appears that less than 5 acres will be used by the mining, crushing and stockpiles.

Access to the property is from existing roads and trails as illustrated on the enclosed portion of the Beaver Dam Mtn. SE Quadrangle.

4. Planned reclamation for the disturbed mine area, and any improvement of access roads that may be required, will be accomplished at the end of the mining operation. Assuming extensions of the initial sales contract are not made. As Mr. C. D. Snow discussed with Mr. Larry Gore, it is anticipated that the initial sales contract will be for a two year period.

Reasonable measures will be taken to prevent unnecessary or undue degradation of federal lands during this mining operation.

Access routes are existing roads or trails and they will be maintained to a minimum width needed for the operation and will follow the existing contours where practicable. It is anticipated that there will be some removal of overburden to advance some of the mining faces.

Reclamation measures will include saving the top-soil for final application on disturbed areas after reshaping. As the mine area is rock in competent beds, mitigating measures to prevent landslides and erosion will be minimal.

Present plans do not envision the need for or storage of toxic material on the project. The mine will not disturb any known fisheries and the reclaimed mine will restore any disturbed wildlife habitat.

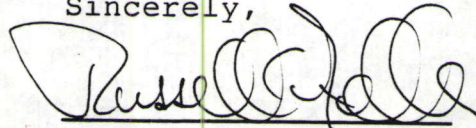
Page 4 Mineral Sale - Feller Holding

Notification will be made to the authorized officer upon completion of mining and the reclamation of the site.

Enclosed is a set of photographs taken in the subject area. The work area is removed from the existing Highway and it should be sufficiently screened by both topography and the existing vegetation to avoid visual impact.

Necessary air quality permits for the crushing operation will be obtained prior to commencement of crusher start-up.

Sincerely,

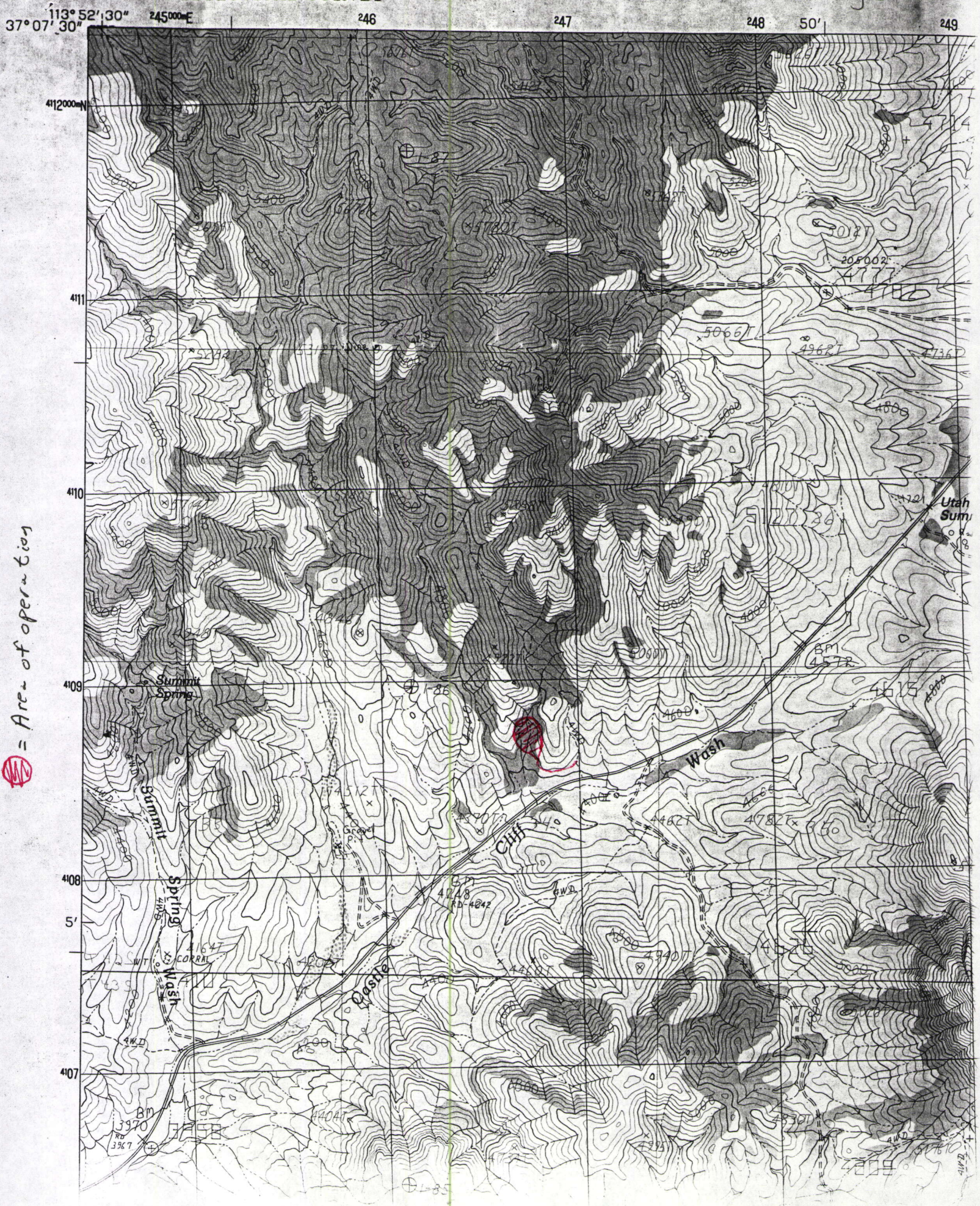
A handwritten signature in dark ink, appearing to read "Russell C. Feller", written over a horizontal line.

Russell C. Feller

President, Feller Holding Corporation

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Jarvis Peak
Quadrangle



Area of operation